

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Long offered the following:

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3 **Amendment (with title amendment)**

4 Remove lines 2246-2247 and insert:

5 Section 16. Effective January 1, 2010, subsection (5) is  
6 added to section 627.706, Florida Statutes, to read:

7 627.706 Sinkhole insurance; catastrophic ground cover  
8 collapse; definitions.--

9 (5) An insurer offering sinkhole coverage to policyholders  
10 before or after the adoption of s. 30, chapter 2007-1, Laws of  
11 Florida, may nonrenew the policies of policyholders maintaining  
12 sinkhole coverage, at the option of the insurer, and provide an  
13 offer of coverage to such policyholders which includes  
14 catastrophic ground cover collapse and excludes sinkhole  
15 coverage. Insurers acting in accordance with this subsection are  
16 subject to the following requirements:

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17 (a) Policyholders must be notified that a nonrenewal is  
18 for purposes of removing sinkhole coverage and that the  
19 policyholder is still being offered a policy that provides  
20 coverage for catastrophic ground cover collapse.

21 (b) Policyholders must be provided an actuarially  
22 reasonable premium credit or discount, subject to the approval  
23 of the Office of Insurance Regulation, for the removal of  
24 sinkhole coverage and provision of only catastrophic ground  
25 cover collapse.

26 (c) Subject to the provisions of this subsection and the  
27 insurer's approved underwriting or insurability guidelines, the  
28 insurer shall provide each policyholder with the opportunity to  
29 purchase an endorsement to his or her policy providing sinkhole  
30 coverage and may require an inspection of the property before  
31 issuance of a sinkhole coverage endorsement.

32 (d) Section 624.4305 does not apply to nonrenewal notices  
33 issued pursuant to this subsection.

34 Section 17. Effective January 1, 2010, section 627.7063,  
35 Florida Statutes, is created to read:

36 627.7063 Building code effectiveness grading schedule.--

37 (1) As used in this section, the term "sinkhole loss  
38 prevention ordinance" means a county ordinance that amends the  
39 Florida Building Code and that is intended to reduce the number  
40 of sinkhole claims and the severity of sinkhole losses.

41 (2) The commission shall adopt a building code  
42 effectiveness grading schedule by rule. The grading schedule  
43 shall evaluate the effectiveness of each sinkhole loss  
44 prevention ordinance in reducing the number of sinkhole claims

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45 and the severity of sinkhole losses. Each ordinance shall be  
46 evaluated 4 years after the ordinance takes effect. The grading  
47 schedule shall be based on the effectiveness of code enforcement  
48 in each county and scientific, modeling, and engineering  
49 methodologies. The rules shall further mandate insurance premium  
50 discounts or surcharges on personal residential property  
51 insurance based on a property's compliance with an ordinance and  
52 the grade assigned to the applicable sinkhole loss prevention  
53 ordinance.

54 Section 18. Except as otherwise expressly provided herein,  
55 this act shall take effect upon becoming a law.

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**T I T L E A M E N D M E N T**

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Remove line 119 and insert:

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amending s. 627.706, F.S.; providing for nonrenewal of

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certain sinkhole insurance policies; creating s. 627.7063,

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F.S.; providing for a building code effectiveness grading

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schedule; providing effective dates.